AMENDED IN ASSEMBLY AUGUST 18, 2003 AMENDED IN ASSEMBLY JULY 28, 2003 AMENDED IN ASSEMBLY JUNE 26, 2003 AMENDED IN SENATE MAY 7, 2003

SENATE BILL

No. 722

Introduced by Senator McPherson

February 21, 2003

An act to amend Sections 52052 and 52057 of, and to add Section 52051.3 to, the Education Code, relating to school performance.

LEGISLATIVE COUNSEL'S DIGEST

SB 722, as amended, McPherson. School performance.

Existing law establishes the Public Schools Accountability Act of 1999 and requires the Superintendent of Public Instruction to develop an Academic Performance Index (API), which consists in part of the results of the tests administered pursuant to the Standardized Testing and Reporting (STAR) Program, to measure the performance of schools, to demonstrate comparable improvement in academic achievement by all numerically significant ethnic socioeconomically disadvantaged subgroups within schools, and to rank schools based on the value of the API. The API measures the performance of schools and the academic performance of pupils and consists of a variety of indicators.

This bill would require the superintendent, with the approval of the State Board of Education, to calculate an API for school districts in the same manner as the school API and would require school districts and schools to demonstrate that the comparable improvement in academic

SB 722 — 2 —

achievement as be measured by the API for all numerically significant pupil subgroups at the school, including ethnic subgroups, socioeconomically disadvantaged pupils, English language learners, and pupils with disabilities. The bill would specify that the test scores of a pupil subgroup may only be included in a -sehool district's or school's API if the test scores of the pupils in the subgroup are valid test scores, as defined, and certain other requirements are met to ensure that the subgroup is a numerically significant subgroup as compared to the total pupil population.

Existing law requires the State Board of Education to establish a Governor's Performance Award Program to provide monetary and nonmonetary awards to schools that meet or exceed API performance growth targets and demonstrate comparable improvement in academic achievement by all numerically significant pupil subgroups at the school.

This bill would additionally provide that to be eligible for the Governor's Performance Award Program a school may be required to make adequate yearly progress as required by the federal No Child Left Behind Act of 2001.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 52051.3 is added to the Education Code, to read:
- 52051.3. The State Board of Education, in consultation with
 the Superintendent of Public Instruction, shall adopt regulations
- 5 and policies necessary to implement the provisions of this chapter
- 6 and the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec.
- 7 6301 et seq.).

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- SEC. 2.
- 9 SECTION 1. Section 52052 of the Education Code is 10 amended to read:
- 11 52052. (a) (1) By July 1, 1999, the Superintendent of Public
- 12 Instruction, with approval of the State Board of Education, shall
- 13 develop an Academic Performance Index (API), to measure the
- 14 performance of schools, especially the academic performance of
- 15 pupils. The Superintendent of Public Instruction, with the
- 16 approval of the State Board of Education, shall also calculate an

__ 3 __ SB 722

API for school districts. The school district API shall be calculated in the same manner as the school API and reported in a comparable format.

- (2) School districts and schools shall demonstrate pupils.
- (2) A school shall demonstrate comparable improvement in academic achievement as measured by the API by all numerically significant pupil subgroups in the school district or at the school, including:
- (A) Ethnic subgroups.

- (B) Socioeconomically disadvantaged pupils.
- (C) English language learners.
- (D) Pupils with disabilities.
- (3) (A) For purposes of this section, a numerically significant pupil subgroup is one that meets both of the following criteria:
- (i) The subgroup consists of at least 50 pupils each of whom has a valid test score.
- (ii) The subgroup constitutes at least 15 percent of a school district's or a school's total population of pupils who have valid test scores.
- (B) If a subgroup does not constitute 15 percent of the school district's or the school's total population of pupils with valid test scores, the subgroup may constitute a numerically significant pupil subgroup if it has at least 100 valid test scores.
- (C) For a school district or a school with an API score that is based on no fewer than 11 and no more than 99 pupils with valid test scores, numerically significant subgroups shall be defined by the Superintendent of Public Instruction, with approval by the State Board of Education.
- (D) A valid test score is a test score that the superintendent, with the approval of the State Board of Education, deems appropriate to incorporate into the API or other performance measure, consistent with the provisions of this chapter and the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.). appropriate to include in the calculation of the API or to determine adequate yearly progress, consistent with the provisions of this chapter and as required by the federal No Child Left Behind Act of 2001 (20 U.S.C. 6311(b)(2)(B)).
- (4) The API shall consist of a variety of indicators currently reported to the department including, but not limited to, the results of the achievement test administered pursuant to Section 60640,

SB 722 — 4 —

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attendance rates for pupils in elementary schools, middle schools, and secondary schools, and the graduation rates for pupils in secondary schools.

- (A) The pupil data collected for the API that comes from the achievement test administered pursuant to Sections 60640 and 60644 and the high school exit examination administered pursuant to Section 60851, when fully implemented, shall be disaggregated by special education status, English language learners, socioeconomic status, gender and ethnic group. Only the test scores of pupils who were counted as part of a school district's enrollment in the annual California Basic Educational Data System's data collection for the current fiscal year and were continuously enrolled during that year may be included in the test results reported in the API. Only the test scores of pupils who were Only the test scores of pupils who were counted as part of the enrollment in the annual California Basic Education Data System's data collection for the current fiscal year and who were continuously enrolled during that year may be included in the test result reports in the school district's or school's API. Results of the achievement test and other tests specified in subdivision (b) shall constitute at least 60 percent of the value of the index.
- (B) Before including high school graduation rates and attendance rates in the index, the Superintendent of Public Instruction shall determine the extent to which the data are currently reported to the state and the accuracy of the data.
- (b) Pupil scores from the following tests, when available and when found to be valid and reliable for this purpose, shall be incorporated into the API:
- (1) The assessment of the applied academic skills matrix test developed pursuant to Section 60604.
- (2) The nationally normed test designated pursuant to Section 60642.
- (3) The standards-based achievement tests provided for in Section 60642.5.
 - (4) The high school exit examination.
- (c) Based on the API, the Superintendent of Public Instruction shall develop, and the State Board of Education shall adopt, expected annual percentage growth targets for all schools based on their API baseline score from the previous year. Schools are expected to meet these growth targets through effective allocation

__5__ SB 722

of available resources. For schools below the statewide API performance target adopted by the State Board of Education pursuant to subdivision (d), the minimum annual percentage growth target shall be 5 percent of the difference between a school's actual API score and the statewide API performance target, or one API point, whichever is greater. Schools at or above the statewide API performance target shall have, as their growth target, maintenance of their API score above the statewide API performance target. However, the State Board of Education may set differential growth targets based on grade level of instruction and may set higher growth targets for the lowest performing schools because they have the greatest room for improvement. To meet its growth target, a school shall demonstrate that the annual growth in its API is equal to or more than its schoolwide annual percentage growth target and that all numerically significant pupil subgroups, as defined in subdivision (a), are making comparable improvement.

(d) Upon adoption of state performance standards by the State Board of Education, the Superintendent of Public Instruction shall recommend, and the State Board of Education shall adopt, a statewide API performance target that includes consideration of performance standards and represents the proficiency level required to meet the state performance target. When the API is fully developed, schools must, at a minimum, meet their annual API growth targets to be eligible for the Governor's Performance Award Program as set forth in Section 52057. The State Board of Education may establish additional criteria that schools must meet to be eligible for the Governor's Performance Awards Program.

- (e) Beginning in June 2000, the API shall be used for both of the following:
- (1) Measuring the progress of schools selected for participation in the Immediate Intervention/Underperforming Schools Program pursuant to Section 52053.
- (2) Ranking all public schools in the state for the purpose of the High Achieving/Improving Schools Program pursuant to Section 52056.
- (f) (1) A school district or a school with 11 to 99 pupils with valid test scores shall receive an API score with an asterisk that indicates less statistical certainty than API scores based on 100 or more test scores.

SB 722 -6-

(2) A school district or a school shall annually receive an API score for the duration of its participation in that program, unless

- (2) A school shall annually receive an API score, unless the Superintendent of Public Instruction determines that an API score would be an invalid measure of the school's performance for one or more of the following reasons:
 - (A) Irregularities in testing procedures occurred.
- (B) The data used to calculate the school's API score are not representative of the pupil population in the school district or at the school.
- (C) Significant demographic changes in the pupil population render year-to-year comparisons of pupil performance invalid.
- (D) The department discovers or receives information indicating that the integrity of the API score has been compromised.
- (E) Insufficient pupil participation in the assessments included in the API.
- (3) If the API of a school district or a school is invalidated pursuant to paragraph (2), the department may calculate an estimated API, consistent with regulations adopted by the State Board of Education.
- (4) If a school district or a school has less than 100 pupils with valid test scores, the calculation of the API or adequate yearly progress pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be calculated from the aggregation of the school's test results with other schools in the same local educational agency, or over more than one annual administration of the tests administered pursuant to Sections 60640 and 60644 and the high school exit exam administered pursuant to Section 60851, consistent with regulations adopted by the State Board of Education.
- (g) Only schools with 100 or more test scores contributing to the API may be included in the API rankings.
- (h) By July 1, 2000, the Superintendent of Public Instruction, with the approval of the State Board of Education, shall develop an alternative accountability system for schools under the jurisdiction of a county board of education or a county superintendent of schools, community day schools, and alternative schools serving high-risk pupils, including continuation high schools and opportunity schools. Schools in the alternative

__ 7 __ SB 722

accountability system shall receive an API score, but may may receive an API score, but shall not be included in the API rankings.

(i) As used in this section, "school district" may include county boards of education or county superintendents of schools, as appropriate.

SEC. 3.

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SEC. 2. Section 52057 of the Education Code is amended to read:

(a) The State Board of Education shall establish a Governor's Performance Award Program to provide monetary and nonmonetary awards to schools that meet or exceed API performance growth targets established pursuant to Section 52052, and demonstrate comparable improvement in academic achievement by all numerically significant pupil subgroups within schools. To be eligible for the Governor's Performance Award Program, a school may also be required to make adequate yearly progress, as required by the federal No Child Left Behind Act (20 U.S.C. Sec. 6311(b)(2)(A)) No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6311(b)(2)(B), and as defined by the regulations recommended by the Superintendent of Public Instruction and adopted by the State Board of Education. Monetary awards shall be awarded only to schools whose API scores meet or exceed their API growth target as established pursuant to Section 52052 or increase by five points, whichever is greater, and in which all numerically significant subgroups' scores meet or exceed 80 percent of the school's API growth target as established pursuant to Section 52052 or increase by four points, whichever is greater. For purposes of this section, a pupil subgroup of at least 100 pupils constitutes a numerically significant subgroup, even if the subgroup does not constitute 15 percent of the total enrollment at a school.

(b) All schools, including schools participating in the Immediate Intervention/Underperforming Schools Program are eligible to participate in the Governor's Performance Award Program. The manner and form in which the monetary and nonmonetary awards are given shall be established by the Superintendent of Public Instruction and approved by the State Board of Education. The monetary awards shall be made available on either a per pupil or per school basis, not to exceed one hundred fifty dollars (\$150) per pupil who received a score on the

SB 722 — 8 —

assessments described in subdivision (b) of Section 60640 and subject to funds appropriated in the annual Budget Act. A school that continues to show improvement in successive years is eligible to receive annual bonuses.

- (c) In addition to or in substitution of monetary awards, the Superintendent of Public Instruction may establish, upon approval by the State Board of Education, nonmonetary awards that may include, but are not limited to, classification as a distinguished school, listing on a published public school honor roll, and public commendations by the Governor and the Legislature. In addition to any other criteria that are used to determine whether a school shall be classified as a distinguished school, the Superintendent of Public Instruction may consider the performance of a school on the physical performance tests administered pursuant to Section 60800.
- (d) A governing board of a school district or a county board of education with one or more schools under its jurisdiction that are eligible to receive an award from the Governor's Performance Award Program may request on behalf of those schools that the State Board of Education waive all or any part of any provision of this code, or any regulation adopted by the State Board of Education, controlling any of the programs listed in clause (i) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 54761 and Section 64000. The board may grant the request if the waiver does not result in a decrease in the instructional time otherwise required by law or regulation or an increase in state costs and is determined to be consistent with subdivision (a) of Section 46300. The waiver shall be granted for no more than three consecutive fiscal years. A governing board of a school district or a county board of education may request a renewal for schools under their jurisdiction that still meet the eligibility criteria.
- (e) The waiver granted pursuant to subdivision (d) may also provide the governing board of a school district or a county board of education with maximum flexibility, on the part of eligible schools within the districts, in the expenditure of any new or existing categorical funds not otherwise prohibited under state or federal law to enable the school to continue improvement in pupil performance.